GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:7922
ANSWERED ON:17.05.2000
FOOD PROCESSING INDUSTRIES
ARUN KUMAR;NAWAL KISHORE RAI;SUKDEO PASWAN;SUSHIL KUMAR INDORA

Will the Minister of AGRICULTURE be pleased to state:

(a) whether it is necessary to explore the possibilities of setting up of Food Processing Industries on the basis of production and average yield in various regions of the country;

(b) if so, the reaction of the Government thereto;

(c) whether the Government propose to take fresh steps to promote FPI in the country;

(d) if so, the details thereof; and

(e) if so, the reasons therefor?

Answer

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES

(SHRI SYED SHAHNAWAZ HUSSAIN)

(a) to (e): Setting up of food processing industries would depend upon several factors such as availability of processible varieties of raw materials, their productivity, demand for processed foods, cost of production and price etc.

The Government has taken a number of policy initiatives to promote the growth of processed food sector in the country. Some of these are as under :

(i) Under the Plan Schemes of the Department of Food Processing Industries, financial assistance in the form of soft loan and grant is provided to private industries, public sector undertakings, Non- governmental Organisations, Co-operatives, Human Resource Development Organisations and Research & Development Institutions etc., for the development of processed food sector.

(ii) Food Processing Industries have been included in the list of priority sector for bank lending.

(iii) Most of the processed food items have been exempted from the purview of licensing under industries (Development & Regulation) Act, 1951.

(iv) Automatic approval for foreign equity up to 100% is available for most of the processed food items excepting alcohol and beer and those reserved for small scale sector, subject to certain conditions.